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FISCAL IMPACT REPORT

SPONSOR: Senate Floor DATE TYPED: 03/20/03 HB _____

SHORT TITLE: New Mexico Film Museum Act SB CS/701/aHAFC

ANALYST: Gonzales

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	None [\$100.0 in SB655]		See Narrative	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY03	FY04			
	See Narrative		Recurring	OSF

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
Tourism Department

SUMMARY

Synopsis of HAFC Amendment

The House Appropriations and Finance Committee amendment removes the specific requirement for the museum and the Economic Development Department Film Division to be located in the Halpin State Archives Building in Santa Fe, leaving the Film Division in its current location and the proposed film museum to be located in Santa Fe. The amendment also requires a museum board of trustee member to represent the Indian nations, tribes and pueblos located wholly or partially in New Mexico.

Synopsis of Substitute Bill

Senate Floor Substitute for Senate Bill 701 creates the New Mexico Film Museum within the Tourism Department effective July 1, 2003. Additionally, the bill:

- Creates an 11 member Board of Trustees (Board);
- Outlines the powers and duties of the Board;
- Allows Board members to receive per diem and mileage;
- Requires the New Mexico Film Museum (NMFM) and the New Mexico Film Division of the Economic Development Department to be located in the Halpin State Archives building in Santa Fe; and
- Requires all real or personal property held or subsequently acquired for the operation of the NMFM to be under the control and authority of the Board.

Significant Issues

The original bill as introduced placed the film museum in the Office of Cultural Affairs. This substitute bill places the museum in the Tourism Department. However, the appropriation for this bill was made to the Office of Cultural Affairs. (See Fiscal and Administrative issues below.)

FISCAL AND ADMINISTRATIVE IMPLICATIONS

This bill does not contain an appropriation. However, Senate Finance Committee Substitute for Senate Finance Committee Substitute for Senate Bill 655 (conference committee version) appropriates \$100.0 in general fund to the Office of Cultural Affairs for the provisions of this bill, yet the proposed film museum would be located in the Tourism Department, not the Office of Cultural Affairs.

Once the museum is open, there would be revenue to offset a portion of the expenditures and there may also be an increase to the revenue and attendance figures at the existing state-run Santa Fe museums based on a potential joint ticketing system.

OTHER SUBSTANTIVE ISSUES

The New Mexico Department of Tourism states it markets films for the State of New Mexico and recognizes film as a major component of the New Mexico tourism industry. Films advertise the State's scenic beauty and diverse cultures to domestic and international audiences, and bringing significant revenue and tourists to New Mexico.

OCA suggests museum planning should start with programming issues, rather than the construction of a museum facility to determine such areas as:

- What does the concept for a film museum look like?
- Assuming it is interactive and involves multi-media technology, what venues currently exist that could be used for this type of programming without the cost of major remodeling or building a new space that must be maintained?
- Is there a collection already in existence that would establish the museum or would it have to be built over the years? JMG/njw